

Certificate of Public Convenience and Necessity Application

Sussex County

Back Creek

"Southern Delaware's Premier Water Company Since 1964"

Tidewater Utilities, Inc. 1100 South Little Creek Road, Dover, DE 19901 www.tuiwater.com
(877) 720-9272 (302) 734-7500 Tel. (302) 734-9297 Fax



September 13, 2016

Mr. Kevin Neilson
Public Service Commission
861 Silver Lake Blvd.
Suite 100
Dover, DE 19904

Re: CPCN Application – Back Creek

Dear Mr. Neilson;

Enclosed you will find the CPCN application for the Back Creek project located in Sussex County, Delaware.

One original copy the application has been included. If I can be of further assistance upon your review, please do not hesitate to contact me at 302-747-1308.

Respectfully,

A handwritten signature in black ink, appearing to read 'J. C. Cuccinello'.

Joseph C. Cuccinello
CPCN Coordinator
Tidewater Utilities, Inc.

cc: Mr. Grover P. Ingle, SFMO w/enclosures
Mr. Ed Hallock, DPH w/enclosures
Mr. Stewart Lovell, DNREC w/enclosures
Mr. John Ashman, Sussex County w/enclosures

**APPLICATION FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY REQUIRED
TO BEGIN OR EXPAND THE BUSINESS
OF A PUBLIC WATER UTILITY**

BEFORE THE PUBLIC SERVICE COMMISSION

Application Fee \$300 for filing each extension to a CPCN
 \$750 for filing each original application for new water utility 26 Del. C. §114(a)

This form of application must be filed for each new and expanding water system pursuant to 26 Del. C. §203C.

WATER UTILITIES: BACK CREEK

1. Basis for application:

- ☐ a. Water in the proposed service area does not meet the Regulations Governing Public Drinking Water Systems of the State Board of Health for human consumption; {26 Del. C., §203C (d)(2)(a)}; or
- ☐ b. Water supply in the proposed service area is insufficient to meet the projected demand; 26 Del. C., §203C (d)(2)(b)}; or
- ☐ c. The applicant is in possession of a signed service agreement with the developer of a proposed subdivision or development, which subdivision or development has been duly approved by the respective county government; {26 Del. C., §203C (e)(1)(a)}; or
- ☒ d. The applicant is in possession of a petition signed by all of the parcel owners of the proposed territory to be served; {26 Del. C., §203C (e)(1)(b)}; or **Exhibit A**
- ☐ e. The applicant is in possession of a duly certified copy of a resolution from the governing body of a county or municipality requesting the applicant to provide service to the proposed territory to be served; {26 Del. C., §203C (e)(1)(c)}.

2. To obtain a Certificate of Public Convenience and Necessity ("CPCN") to provide adequate water service to customers and meet the Regulations Governing Drinking Water Standards of the State Board of Health for human consumption {26 Del. C., §203C(a)}.

3. Tidewater Utilities, Inc. requests an informal fact finding procedure during review of application.

- 4. (a.) Full legal name and address of Applicant:
 Tidewater Utilities, Inc.
 1100 South Little Creek Road
 Dover, Delaware 19901
- (b.) Full name of the Utility's designated representative:
 Joseph C. Cuccinello
 Kirsten Higgins
- (c.) Phone no: 302-734-7500 X1014 or X1024
- (d.) Fax no: 302-734-9295
- (e.) Email address: jcuccinello@Tuiwater.com or khiggins@tuiwater.com

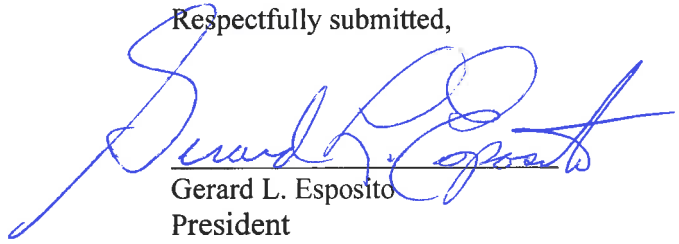
5. Supporting documentation required by 26 Del. C. §203C(e)(1), including evidence that all landowners of the proposed territory have been notified of application: **Exhibit B**

6. A complete list of county tax map parcel number(s) for the area covered by the application: **Exhibit C**

7. A complete list of county tax map parcel number(s) with corresponding names and addresses of property owners and a copy of the tax map(s) for the area: **Exhibit C**
8. The Applicant hereby certifies that the extension will satisfy the provisions of 26 Del. C. §403C, including:
 - (a.) The Applicant is currently furnishing water to its present customers in Delaware in such a fashion that water pressure at every house supplies is at least 25 psi at all times at the service connection.
 - (b.) The Applicant shall furnish water to the house or separate location of each new customer in the Delaware at a pressure of at least 25 psi at each location or house at all times at the connection while continuing also to supply each old customer at a pressure of at least 25 psi at each house at all times at the service connection.
 - (c.) The Applicant is currently not subject to a finding by the appropriate federal or state regulatory authority that we have materially failed to comply with applicable safe drinking water or water quality standards; and
 - (d.) The Applicant is currently not subject to any Order issued by the Commission finding that Tidewater Utilities, Inc. has materially failed to provide adequate or proper safe water services to existing customers.
9. Copies of petitions signed by landowners showing all of the parcel owners of the proposed territory to be served agree with the filing of a CPCN to permit Applicant to provide them with public water. **Exhibit A**
10. Plan of service:
 - (a.) The application includes thirteen (2) parcels located on the south side of Muddy Neck Road in Sussex County, Delaware and identified by County Tax Parcel Numbers: 134-17.00-30.03 and 134-17.00-30.04.
 - (b.) This service territory will be served water via an off-site water main extension from Tidewater's existing 12-inch water main located on Muddy Neck Road. Tidewater anticipates water service will be available within 30 days of receiving approval.
 - (c.) A map showing the location of the parcel is provided in **Exhibit C**.
11.
 - (a.) A copy of the application must be sent to State Fire Marshall, Public Health Department, Department of Natural Resources and County Engineering/Utility.
 - 1.) The current status of such application is: **Sent**
 - (b.) The Applicant provides the following additional information with this application;
 - 1.) A corporate history including dates of incorporation, subsequent acquisitions and/or mergers, **On PSC File**
 - 2.) A chart, which depicts the inter-company relationships, **On PSC File**
 - 3.) A map identifying all areas, including all towns, cities, counties and other governments subdivisions to which service is already provided, **On PSC File**
 - 4.) All copies of Applicant's annual reports to stockholders and that of its subsidiaries, and parent for the last two years, **On PSC File**
 - 5.) Applicant's audited financial statements, 10K's and all proxy material for the last two years, **On PSC File**

6.) Any additional information required by PSC Staff will be made available on request.

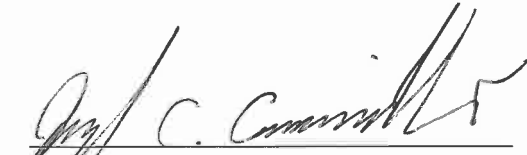
Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Gerard L. Esposito", is written over a horizontal line. The signature is stylized with a large initial "G" and a long, sweeping underline.

Gerard L. Esposito
President

Certification of Landowner Information Accuracy

By submitting this application, Tidewater Utilities, Inc. hereby certifies that we have reviewed the appropriate tax or land record documents; and that according to those documents, the landowners identified in the parcel lists are the landowners of record and that the petitions contained in this application have been signed by the landowners of record.



Joseph C. Cuccinello
CPCN Coordinator



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[Services](#)

Map Search

Sussex County, Delaware - Zoning and Sales Information

PROPERTY DETAILS

- [General Information](#)
- [Appraisal & Assessment Info](#)
- [Sales Info](#)
- [Map of Property](#)

General Information

District-Map-Parcel:

1-34 17.00 30.03

Owner(s) Names:

RAZE PROPERTIES , LLC

Property Legal Description:

S/RD 361
PARCEL B

Billing Address:

38518 VELTA DR
OCEAN VIEW , DE 19970

Land Use:

Residential, Vacant Lot,No Improvement

Zoning:

Town Codes

Town/Municipality:

-No Town or Municipality Specified-

Fire District(s):

Millville Fire District

Tax Ditch(es):

Little Bay

Sewer/Water**District:**

-No Sewer Records-

Watershed:

CHINCOTEAGUE



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[Business](#)

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Map Search

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PROPERTY DETAILS

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General Information

District-Map-Parcel:

1-34 17.00 30.04

Owner(s) Names:

BERZINS , SIGURD E TRUSTEE

Property Legal Description:

SW CORNER RD 361
& RD 363

Billing Address:

PO BOX 864
BETHANY BEACH , DE 19930

Land Use:

Residential, Vacant Lot, No Improvement

Zoning:

Town Codes

Town/Municipality:

-No Town or Municipality Specified-

Fire District(s):

Millville Fire District

Tax Ditch(es):

Little Bay

Sewer/Water**District:**

-No Sewer Records-

Watershed:

CHINCOTEAGUE

EXHIBIT

A

**PETITION FOR INCLUSION IN TIDEWATER UTILITIES, INC.
WATER SERVICE TERRITORY**

In accordance with 26 Delaware Code 203-C., Raza Properties, LLC, the undersigned, as the recorded property owner according to current tax records for the following property/properties, requests to be included in the water service territory of Tidewater Utilities, Inc., and hereby represents that Raymond Berzins (name of signor), as OWNER (title), of Raza Properties, LLC is authorized to execute this petition on behalf of the company. Raza Properties, LCL understands that all of the property owners must sign this petition in order for Tidewater Utilities, Inc to apply for a Certificate of Public Convenience and Necessity (CPCN) in order to provide water service to the following property/properties:

Tax Parcel Number(s) 134-17.00-30.03

Property Owner: Raze Properties, LLC
 38518 Velta Dr.

Mailing Address: 300 Velta Court, Ocean View, DE 19970

Physical Property Address: S/Rd 361, Parcel B

I UNDERSTAND THAT BY SIGNING THIS PETITION MY PROPERTY MAY HAVE TO REMAIN IN TIDEWATER UTILITIES, INC. SERVICE TERRITORY PERMANENTLY. I ALSO UNDERSTAND THAT IT MAY AFFECT MY ABILITY TO OBTAIN A PERMIT FOR A NEW WELL. IF YOU HAVE ANY QUESTIONS, COMMENT, OR CONCERNS, PLEASE CONTACT THE PUBLIC SERVICE COMMISSION AT (302) 736-7500 (in Delaware, call 800-282-8574).

By: R. Berzins
Print Name: Raymond Berzins
Title: OWNER
Dated: 8/2, 2016
Phone #: 302-249-5190
Email Address: ntbray@hotmail.com

Raymond
I Berzins (print name) am the OWNER (insert title) of Raze Properties, LLC, the party named above. Raymond Berzins (insert name of signer above) is the OWNER (title) of the Raze Properties, LLC and has signed this petition in such capacity as the act and deed of the company.

Signed by: -R. Berzins
Title: OWNER

Contact Tidewater Utilities, Inc. at 877-720-9272 ext. 1014 with any questions related to this petition.

RAZE PROPERTIES, LLC

LIMITED LIABILITY COMPANY AGREEMENT

THIS LIMITED LIABILITY AGREEMENT entered into, by and among those named in Exhibit A attached hereto (collectively referred to as the "Members") as Members of **Raze Properties, LLC**, a Delaware limited liability company (the "LLC") with a principal place of business located at 300 Veltu Court, Ocean View, Delaware 19970

NOW THEREFORE, in consideration of the mutual promises of the parties, and of other good and valuable consideration, the receipt and sufficiency of which hereby is acknowledged, it is mutually agreed by and among the parties as follows:

ARTICLE I

Formation, Name, Purpose, Term

Section 1.1. **Formation.** The parties hereto hereby form a limited liability company pursuant to the provisions of the Delaware Limited Liability Company Act ("the Act"), subject to the definitions in Article X.

Section 1.2. **Name and Office; Agent for Service of Process.** The LLC shall be conducted under the name of **Raze Properties, LLC** with its principal office at 300 Veltu Court, Ocean View, DE 19970. The address of the registered office of the LLC shall be 300 Veltu Court, Ocean View, DE 19970. The name and address of the registered agent for service of process upon the LLC in the State of Delaware shall be Raymond Berzins, 300 Veltu Court Ocean View, DE 19970.

Section 1.3. **Purpose.** The purpose of the LLC shall be to carry on any lawful business purpose or activity.

Section 1.4. **Authorized Acts.** In furtherance of its purposes, but subject to all other provisions of this Agreement, including, but not limited to, Article III hereof, the LLC shall possess and may exercise all of the powers and privileges granted by the Act or by any other law or by the Agreement, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion or attainment of the business, purposes or activities of the LLC.

Section 1.5. **Term and Dissolution.** The LLC shall commence upon the filing of the Certificate with the Secretary of State of the State of Delaware in accordance with the Act. The LLC shall continue in full force and effect until December 31, 2035, except that the LLC shall be dissolved prior to such date upon the happening of any of the following events:

(a) The sale or other disposition (other than a refinancing) of all or substantially all the assets of the LLC : or

(b) The withdrawal of a Member as defined in ARTICLE X, unless within 90 days of such events all remaining Members consent in writing to the continuance of the LLC.

(c) The election to dissolve the LLC by the Consent, in writing, of all the Members.

Section 1.6. Title to LLC Property. All property owned by the LLC, whether real or personal, tangible or intangible, shall be deemed to be owned by the LLC, and no Member, individually, shall be considered the owner of such property.

ARTICLE II

Members, Capital

Section 2.1. Members. The Capital Contributions of the Members shall initially consist of the cash amounts and property set forth in Exhibit A with respect to each Member, and such amounts have been paid or contributed to the LLC on the date hereof as indicated in Exhibit A. Except as specifically set forth herein, the Members shall not be required to make any additional Capital Contributions hereunder.

Section 2.2. LLC Capital. The capital of the LLC shall be the aggregate amount of the Capital Contributions. No interest shall be paid on any Capital Contributions. Except as may be specifically provided in this Agreement, no Member shall have the right to withdraw from the LLC any or all of such Member's Capital Contribution nor shall there be right to demand or receive property or cash of the LLC in return for Capital Contributions.

Section 2.3. Capital Accounts. An individual Capital Account shall be maintained for each Member and shall be computed in accordance with the definition of a Capital Account as set forth in Article X.

Section 2.4. Admission of Additional Members. The Members may admit to the LLC additional Member(s) who will participate in the profits, losses, available cash flow, and ownership of the assets of the Company on such terms as are determined by all the Members. Admission of any such Additional Member(s) shall require the written consent of all Members then having any LLC Interest in the LLC. Such Additional Members shall be allocated gain, loss, income or expense by such method as may be provided in this Agreement, as hereafter amended, and if no method is specified, then as may be permitted by §706(d) of the Code and/or by any other applicable provision of the Code.

Section 2.5. Liability of Members. A Member's liability shall be limited to the amount of Capital Contribution, except as otherwise required by the Act. Except as set forth in the preceding sentence, no Member shall be liable as a Member for any debts, liabilities, contracts, or obligations of the LLC, whether arising in contract, tort, or otherwise, or be required to lend funds to the LLC. Each Member shall have an obligation to eliminate a deficit balance capital account in order to satisfy the substantial economic test in Section 704 of the Internal Revenue Code and the Regulations promulgated thereunder. Notwithstanding the foregoing, a Member may guarantee LLC borrowings as a guarantor and not as a Member.

Section 2.6. Indemnification. To the fullest extent permitted by law, the LLC shall indemnify and save harmless the Members from any expense, loss or damage incurred by it by reason of (i) any act performed by them within the scope of the authority conferred upon them by this Agreement or (iii) their failure or refusal to perform any acts except those expressly required by the terms of this Agreement, or (iii) their performance or omission to perform any acts on advise of accountants or legal counsel for the LLC; provided, however, that the LLC shall have no obligation to indemnify a Member for any expense, loss or damage incurred by the Member as a result of such Member's own willful misconduct or gross negligence or acts in violation of his or her fiduciary duties hereunder. An indemnity under this Section 2.6 shall be provided out of and to the extent of LLC assets only, and the Members shall have no personal liability on account thereof or otherwise.

Section 2.7. Insurance. The Members of the LLC shall endeavor to obtain liability or other insurance payable to the LLC (or as otherwise agreed by the Members), in order to protect the LLC and the Members from the acts or omissions of each of the Members. Such insurance shall be an expense of the LLC.

Section 2.8. Other Business Ventures, Etc. Any Member and any Person holding an equity interest in any Member, directly or through any other Entity, may engage in or possess an interest in other business ventures of every nature and description, independently or with others, including, but not limited to, the real estate business in all of its phases, which shall include, without limitation, the purchase, sale, ownership, operation, management, without limitation, of real property in the same area as and in competition for business with the property. Neither the LLC nor the other Members shall have any rights in and to such independent ventures or the income or profits derived therefrom.

ARTICLE III

Management, Meetings

Section 3.1. Management of the LLC. The Members, acting by majority consent, unless unanimous consent is required pursuant to this Agreement or under the Act, shall have the exclusive right to manage the business of the LLC.

Section 3.2. Meetings. Meetings of the LLC shall be held on five (5) business days'

notice or on such shorter notice as may be mutually agreeable to the Members. Notice of the time and place shall be given in writing to each Member. Any actions required or permitted to be taken at any meeting of the Members may be taken without a meeting if all Members consent to such action in writing.

ARTICLE IV

Withdrawal of Member, Continuation of the LLC

In the event that a Member ceases his or her membership pursuant to Section 1.5(b), then all of the remaining Members may elect in writing, at any time before 90 days have elapsed following the effective date of the Withdrawal of the member, to continue the LLC. Such election shall not be effective unless such consent is unanimous and made within that 90 day period.

ARTICLE V

Transferability of LLC Interests

Section 5.1. Restrictions on Transfer of LLC Interests.

(a) Except as otherwise expressly permitted in this Section 5.1, no Member may voluntarily or involuntarily transfer, sell, alienate, pledge, encumber, assign or otherwise dispose of all or any part of his or her interest in the LLC without the prior written consent of a majority of the Members who are not transferring their interest. Without limitation of the discretion of the other Members to grant or withhold consent to a proposed transfer, the other Members shall have the right to establish conditions to such disposition, including, but not limited to, a right to acquire the interest in question at a price and upon terms no less favorable than those which the proposed transferor would receive from such disposition.

(b) Any member who shall sell, assign, transfer or dispose of all of such Member's interest in the LLC to a person other than an Affiliated Person shall cease to be a Member of the LLC, (other than economic rights which accrued prior to such transfer); provided that, (i) unless and until the assignee of such Member is admitted to the LLC as a Substituted Member in accordance with Section 5.2 hereof, said assignment Member shall retain the statutory obligations of an assignor Member under the Act and (ii) in any event, any assigning Member shall retain the obligation to make payments of any unpaid Capital Contributions as required by the Act.

(c) Upon any sale, assignment, transfer or disposition made in accordance with this Section 5.1, there shall be filed with the LLC a duly executed and acknowledged counterpart of the instrument making such sale, assignment, transfer or disposition, which

instrument must evidence the written acceptance of the assignee to all the terms and provisions of this Agreement; and until such an instrument is so filed, the LLC need not recognize any such sale, assignment, transfer or disposition for any purpose.

(d) An assignee of the Member interest who does not become a Substituted Member as provided in Section 5.2 hereof and who desires to make a further assignment of his or her interest shall be subject to all the provisions of this Article V to the same extent and in the same manner as any Member desiring to make an assignment of such Member's interest.

Section 5.2. Substituted Members.

(a) No Member shall have the right to substitute an assignee as a Member in his or her place without the prior written consent of all the Members. The failure or refusal to permit an assignee approved under Section 5.1 to become a Substituted Member under this Section 5.2 shall not affect the right of such assignee to receive the share of the profits, losses, credits and distributions of the LLC to which his or her predecessor in interest was entitled.

(b) Upon the consent of all of the Members to the admission of an assignee as a Substituted Member in accordance with Section 5.2(a) hereof, Exhibit A attached hereto shall be amended to reflect the name and address and Capital Contribution of such assignee as a Substituted Member and to eliminate the name, address and Capital Contribution of the predecessor Member. Each Substituted member shall execute such instrument or instruments (including a counterpart of this Agreement and any power of attorney) as shall be required by the other Members to signify his or her agreement to be bound by all the provisions of this Agreement.

Section 5.3. Additional Restrictions.

(a) In no event shall a sale, assignment, transfer or disposition of any portion of the Member's interest in the LLC (other than as a result of the death of an individual) take place if such sale, assignment, transfer or disposition would, in the opinion of tax counsel to the LLC, cause a termination of the treatment of the LLC as a partnership for federal tax purposes within the meaning of Section 708 or any other provision of the Code and any Regulations promulgated thereunder.

(b) In no event shall all or any part of a Member's interest in the LLC be assigned or transferred to a minor (other than as a result of death) or to an incompetent unless such transfer is to the legal representative of such minor or incompetent or to a trust established for the benefit of such person.

(c) The Members may, in addition to any other conditions set forth herein, require as a condition of sale, assignment, transfer or other disposition of any interest in the LLC, that the transferor (i) assume all costs incurred by the LLC in connection therewith and (ii) furnish the LLC and the Members with an opinion of counsel satisfactory (both as to opinion and

counsel) to counsel to the LLC that such sale, transfer, assignment or other disposition complies with applicable federal and state securities laws.

(d) In no event shall a sale, transfer, assignment or other disposition of less than all of any Member's interest in the LLC take place if, in the opinion of the other Members, such sale, transfer, assignment, exchange or other disposition will result in such a fractionalization of such Member's interest as to become administratively burdensome to the LLC.

(e) Any sale, assignment, transfer or other disposition in contravention of any of the provisions of this Article V shall be void and ineffectual and shall not bind, or be recognized, by the LLC.

Section 5.4. Security Interest in an LLC Interest.

(a) Any Member may, with the consent of all of the other Members, grant a security interest in any or all of such Member's LLC interest to any lender to the LLC or to a surety which issues a surety bond or other guaranty of, or to a bank or other financial institution which issues a letter of credit to lenders to the LLC for the purpose of securing indebtedness of the LLC; provided, however, that (i) such Member shall be required by such lender, surety, bank or financial institution as a condition to the making or issuing of such loan, bond, guaranty or letter of credit to be personally obligated thereon and (ii) the Consent of the Members has been obtained with respect to such grant. Such lender, surety, bank or other financial institution or lender is hereinafter in this Section referred to as a "Secured Party".

(b) The security interest of a Secured Party in an LLC interest in the LLC shall be prior to any security interest granted to the LLC under any other provisions of this Agreement or by operation of law.

(c) The other Members shall cause the security interest to be reflected on the LLC's books and records. For purposes of this Section 5.4(c) a notation of such security interest on Exhibit A hereto shall constitute a notation of the LLC's books and records.

(d) The Secured Party shall have the unrestricted right to foreclosure upon its security interest in accordance with applicable law and the terms of its security agreement with such Member.

ARTICLE VI

Borrowings and Loans

Section 6.1. Borrowings. All LLC borrowings shall be subject to all the terms of this Agreement. To the extent borrowings are permitted, they may be made from any source, including Members and Affiliated Persons. The LLC shall issue suitable promissory notes or

other instruments or agreements to evidence such loans. If any Member shall lend any moneys to the LLC, the amount of any such loan shall not constitute an increase in the amount of such Member's Capital Contribution nor affect in any way the share of the profits, losses, credits and distributions of the LLC. Any loans by a Member shall, absent express agreement to the contrary, be obligations of the LLC of equal rank with obligations to unsecured third-party creditors, and shall be repayable from any available funds of the LLC, including, but not limited to, Cash Flow or a Capital Contribution, and any interest payable thereon shall be at a rate agreed upon by the LLC and such Member, but in no event greater than two percent per annum above the Base Rate, compounded monthly. Additional Capital Contributions made hereunder shall not affect the LLC Interest of the Members.

ARTICLE VII

Profits, Losses, Distributions

Section 7.1. Profits, Losses.

(a) Except as otherwise provided herein all profits and losses of the LLC and all tax credits in respect of each fiscal year shall be allocated to the Members in accordance with their respective LLC Interests. Notwithstanding the foregoing, in any year for which there is a distribution to the Members of all or any portion of their Preferred Return, any profits for such year attributable to such distribution shall first be allocated pro rata to such Members.

(b) The terms "profits" and "losses" as used in this Agreement shall mean taxable income and losses as determined for federal income tax purposes using the accounting methods followed by the LLC. Additional or substituted Members admitted to the LLC at any time after the date hereof shall be allocated profits and losses from the first day of the month in which they are admitted to the LLC, or more frequently as determined by the other Members or required by Section 706(d)(1) of the Code and any Regulations promulgated thereunder.

(c) If any net income otherwise to be allocated under Section 7.1(a) includes net income treated as ordinary income for tax purposes because it is attributable to the recapture of depreciation pursuant to Section 1245 or 1250 of the Code (that portion of the net income so treated as ordinary income is herein called "Recapture Gains"), such Recapture Gains shall be allocated among the Members in such manner as to credit Recapture Gains to the Members who were charged with depreciation items giving rise to such Recapture Gains. In ordinary income, the ordinary income will be considered to be attributable to those depreciation deductions that were first taken.

(d) If there is a net decrease in the LLC's Minimum Gain during a taxable year, all Members with a Negative Capital Account at the end of such year (excluding from such Negative Capital Account the amount, if any, that such Member is obligated to restore plus such Member's share of the Minimum Gain, computed with respect to the amount of LLC Minimum Gain after such net decrease) will be allocated items of income and gain for such year (and, if

necessary, subsequent years) in the amount and in the proportions needed to eliminate such deficits as quickly as possible ("Minimum Gain Chargeback") before any other allocation is made under this Agreement. For purposes of this subsection (c), a Member's Capital Account shall be reduced for the items described in Treas. Reg. 1.704-1(b)(2)(ii)(d)(4), (5), and (6). The allocation of the Minimum Gain Chargeback to the LLC's items of income and gain shall be made in accordance with the rules set forth in Treas. Reg. 1.704-1(b)(4)(iv)(e).

(e) Qualified Income Offset. In the event a Member unexpectedly receives adjustment, allocation, or distribution described in Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5), or (6) such Member shall be specially allocated items of LLC income and gain in an amount and manner sufficient to eliminate the Negative Capital Account of such Member as quickly as possible. This Section 7.1(e) is intended to constitute a "qualified income offset" under Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(f) Nonrecourse Deductions. Nonrecourse Deductions for any fiscal year or other applicable period shall be allocated to the Member in accordance with their respective LLC Interests.

(g) Member Nonrecourse Deductions. Member Nonrecourse Deductions for any fiscal year or other applicable period shall be specially allocated to the Member that bears that economic risk of loss for the debt (i.e., the Member Nonrecourse Debt) in respect of which such Member Nonrecourse Deductions are attributable (as determined under Regulation Section 1.704-2(b)(4) and (i)(1)).

(h) Curative Allocations. The allocations specified in paragraphs (d) through (g) above (the "Regulatory Allocations") shall be taken into account in allocating other items of income, gain, loss, and deduction among the Members so that, to the extent possible, the cumulative net amount of allocations of LLC items under Section 7.1 shall be equal to the net amount that would have been allocated to each Member if the Regulatory Allocations had not occurred. This subparagraph (g) is intended to minimize to the extent possible and to the extent necessary any economic distortions which may result from application of the Regulatory Allocations and shall be interpreted in a manner consistent therewith.

Section 7.2. Distribution Prior to Dissolution.

(a) Cash Flow, if any, attributable to each fiscal year (or fractional portion thereof) shall, to the extent permitted by the LLC's lenders, be applied and distributed within 120 days after the end of such year (or fractional portion thereof) as follows:

(i) First, to be applied to the discharge, to the extent required by any lender or creditor which is not an Affiliated Person, of debts and obligations of the LLC;

(ii) Second, to be applied to the reimbursement of any out-of-pocket expenses incurred by the Members;

(iii) Third, to be applied to fund reserves for working capital to the extent deemed appropriate by the Members;

(iv) Fourth, to the Members, pro rata, in accordance with their share of the total tax liability resulting from the allocation of profits pursuant to Section 7.1 (which shall be calculated at a rate equal to 30% of such profits);

(v) Fifth, to be distributed, pro rata, to each Member who has advanced any funds (other than Capital Contributions) to the LLC at any time pursuant to Section 6.1, any accrued but unpaid interest on such funds calculated at the rate set forth or agreed upon pursuant to Section 6.1;

(vi) Sixth, to be applied to the discharge of all other debts and obligations of the LLC to Members and Affiliated Persons, including without limitation, loans or advances on account of LLC expenses made by such Members or Affiliated Persons;

(vii) Seventh, to be distributed, pro rata, to each Member, an amount equal to such Member's Priority Distribution Base;

(viii) Eighth, to be distributed, pro rata, to each of the Members that have a Positive Capital Account in the proportion that the Positive Capital Account of each such Member bears to the aggregate of all Positive Capital Accounts until such Positive Capital Account is reduced to zero; and

(ix) Ninth, the balance thereof to be distributed to the Members in accordance with their respective LLC Interests.

(b) Cash Flow shall be determined separately for each fiscal year or portion thereof and shall not be cumulative. For all purposes of this Agreement, the term "Cash Flow" shall mean the profits or losses of the LLC (as profits and losses are determined in accordance with Section 7.1(b)) but subject to the following:

(i) Depreciation of buildings, improvements and personal property and amortization of any financing fees shall not be considered as a deduction.

(ii) Any fee shall be considered as a deduction to the extent paid in such fiscal year.

(iii) Debt amortization (including the repayment of loans of Members and Affiliated Persons) shall be considered as a deduction.

(iv) Reserve(s) established by the Members to provide for working capital needs, funds for improvements or replacements or for other contingencies of the LLC shall be considered a deduction.

(v) Any amounts paid by the LLC for capital expenditures shall be considered as a deduction unless paid by cash withdrawal from a replacement reserve for capital expenditures.

(vi) Any cash withdrawal from reserves shall be considered income unless used for capital expenditures, the payment of principal of an LLC debt or a nondeductible payment.

(vii) Payments of insurance proceeds on account of business or rental interruption shall be considered income to the extent not otherwise taken into account.

(viii) Income exempt from tax not otherwise taken into account shall be considered income.

(ix) Net cash proceeds of a refinancing of all or any portion of the Property shall be considered income to the extent not otherwise taken into account.

Section 7.3. Distribution upon Dissolution. Upon dissolution, the Members (or their trustees, receivers, representatives, successors or assignees) shall (a) liquidate the LLC assets; (b) make payment of, or adequate provision for, the debts and obligations of the LLC, including loans of Members and Affiliated Persons and accrued interest thereon; (c) distribute to the Members the remaining assets of the LLC (or the proceeds of assets which have been sold or disposed of) in accordance with the positive balance in the Capital Account of each Member after giving effect to all adjustments to contributions, distributions, and allocations for all periods; (d) in due course cause the cancellation of the Certificate of Formation. If any assets of the LLC are to be distributed in kind, such assets shall be distributed on the basis of the fair market value thereof and any Member entitled to any interest in such assets shall receive such interest therein as a tenant-in-common with all other Members so entitled. The fair market value of such assets shall be determined by an independent appraiser. All distributions shall be made within the time specified in Section 1.704-1(b)(2)(ii)(g) of the Regulation.

ARTICLE VIII

Books and Record, Accounting, Tax Elections, Etc.

Section 8.1. Books and Records. The Members shall keep or cause to be kept complete and accurate books and records of the LLC which shall be maintained in accordance with generally accepted accounting principles or tax reporting principles and shall be maintained and be available at the principal office of the LLC for examination by any Member, or his or her duly authorized representatives, at any and all reasonable times.

Section 8.2. Bank Accounts. The bank accounts of the LLC shall be maintained in such banking institutions as the Members shall determine, and withdrawals shall be made therefrom on such signature or signatures as the Members shall determine.

Section 8.3. Accountants. The accountants for the LLC shall be such public or certified public accountant or firm of public or certified public accountants as shall be engaged by the Members from time to time.

Section 8.4. Annual Reports to Members. The Members shall cause to be prepared and sent to each Member each year (i) annual reports of the LLC, including an annual balance sheet and profit and loss statement, within ninety (90) days after the close of each reporting year as specified in Section 8.5 hereof; and (ii) annual statements indicating the share of each member of the net income, net loss, depreciation, gain, loss and other relevant items of the LLC for each calendar year for federal income tax purposes, within ninety (90) days after the close of each calendar year.

Section 8.5 Reporting Year and Accounting Method, Tax Year. The reporting and tax year of the LLC, for the purposes of Section 8.4 hereof, shall be the 12-month period ending December 31. The books of the LLC shall be kept on such basis as the Members may determine.

ARTICLE IX

General Provisions

Section 9.1. Notices. Any and all notices or other communications called for under this Agreement shall, unless otherwise specifically provided herein, be deemed adequately given only if in writing and delivered or sent by certified mail, return receipt requested, to the party or parties for whom such notices or communications are intended. All such notices and other communications, in order to be effective, shall be addressed to the last address of record on the LLC books.

Section 9.2. Word Meanings. The words such as "herein", "hereinafter", "hereof" and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires. The singular shall include the plural and the masculine gender shall include the feminine and neuter, and visa versa, unless the context otherwise requires.

Section 9.3. Captions. Captions or Articles, Sections and Paragraphs contained in this Agreement are inserted only as a matter of convenience and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.

Section 9.4. Binding Provisions. The covenants and agreements contained herein shall be binding upon and inure to the benefit of the heirs, legal representatives, successors and

assigns of the respective parties hereto, except as otherwise provided herein.

Section 9.5. Applicable Law, Supremacy of the Act. This Agreement shall be governed by, and interpreted, construed and enforced in accordance with, the laws of the State of Delaware, without regard to principles of the law (such as "conflicts of law") that might otherwise make the law of some other jurisdiction applicable. Notwithstanding any other provision of this Agreement, no action may be taken under this Agreement unless such action is taken in compliance with the provisions of the Act.

Section 9.6. Counterparts. This agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all have not signed the original or the same counterpart.

Section 9.7. Separability of Provisions. Each provision of this Agreement shall be considered separable and (a) if for any reason any provision or provisions herein are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Agreement which are valid, or (b) if, for any reason, any provision or provisions herein would cause a Member to be bound by the obligations of the LLC under the laws of the State of Delaware as the same may now or hereafter exist, such provision or provisions shall be deemed void and of no effect, or (c) if, in spite of Section 9.5, for any reason any provision or provisions herein would cause a Member to be bound by the obligations of the LLC under the laws of some other jurisdiction as the same may now hereafter exist, such provision or provisions shall be deemed void and of no effect.

Section 9.8. Additional Documents and Acts. In connection with this Agreement, as well as all transactions contemplated by this Agreement, each Member agrees to execute and deliver such additional documents and instruments, and to perform such additional acts, as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions and conditions of this Agreement, and all such transactions. All approvals of either party hereunder shall be in writing.

Section 9.9. Service, Jurisdiction. Each of the parties agrees to (a) the irrevocable designation of the Secretary of State of the State of Delaware as its agent upon whom process against it may be served, and (b) personal jurisdiction in any action brought in any court, federal or state, within the State of Delaware having subject matter jurisdiction arising under this Agreement.

Section 9.10. Waiver of Partition. The Members hereby waive any right of partition or any right to take any other actions that otherwise might be available to them for the purpose of severing their relationship with the LLC or their interest in the assets held by the LLC from the interest of the other Members.

Section 9.11. LLC Interest as Personal Property. The LLC interest of each Member shall be personal property for all purposes. All property owned by the LLC shall be deemed

owned by the LLC as a limited liability company and no Member, individually, shall have any individual ownership rights in and to such property.

ARTICLE X

Definitions

As used herein the following terms shall have the following meanings:

"Affiliated Person" means in relation to the LLC or any Member, (i) any holder of 10% or more of the outstanding voting securities, partnership interest (limited or general), or limited liability company interests of such LLC or Member, (ii) any other Person who directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the LLC or such Member or in which the LLC or such Member or a Person or Persons controlling or under common control with the LLC or such Member hold a 10% or greater interest, (iii) any member of the Immediate Family of any Member or other Person described above, (iv) any legal representative, successor or assignee of any Member or Person described above or member of his Immediate Family, (v) any trustee or beneficiary of a trust established or maintained for the benefit of any Member or person described above or member of such Member or Person's Immediate Family, or (vi) any entity of which a majority of the voting interests is owned by any one or more of the members or Persons referred to in the preceding clauses.

"Agreement" means this Limited Liability Company Agreement as it may be amended from time to time hereafter.

"Annual Return" means, with respect to a Member, an amount equal to the Rate of Return multiplied by the amount of the Priority Distribution base of such Member from time to time outstanding.

"Base Rate" means the Applicable Federal Rate.

"Capital Account" shall mean, with respect to any Member, the separate "book" account which the LLC shall establish and maintain for such Member in accordance with Section 704(b) of the Code and Section 1.704-1(b)(2)(iv) of the Regulations and such other provisions of Section 1.704-1(b) of the Regulations that must be complied with in order for the Capital Accounts to be determined in accordance with the provisions of said Regulations. In furtherance of the foregoing, the Capital Accounts shall be maintained in compliance with Section 1.704-1(b)(2)(iv) of the Regulations; and the provisions thereof shall be interpreted and applied in a manner consistent therewith. If the resulting amount exceeds zero, such Member shall have at that time a "Positive Capital Account." If the resulting amount is less than zero, such Member shall have at that time a "Negative Capital Account." A Member who has more than one interest in the LLC shall have a single capital account that reflects all such interest, regardless of the class of interest owned by such Member and regardless of the time or manner in which such interests

were acquired.

"Capital Contribution" means, with respect to any Member, the total amount of cash and other assets contributed from time to time to the LLC by such Member. Any reference in this Agreement to the Capital Contribution of a then Member shall include a Capital Contribution previously made by any prior Member in respect of the LLC interest of such then Member.

"Capital Transaction" means a financing or refinancing or the sale or other disposition of the land constituting the Property.

"The Act" means the Delaware Limited Liability Company Action (6 Del. C. §18-101, et seq.) as the same may from time to time be in effect.

"Cash Flow" shall have the meaning provided in Section 7.2(b) hereof.

"Certificate" means the Certificate of Formation of LLC as filed with the Secretary of State of the State of Delaware as amended and in effect from time to time.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Consent of the Members" means the written consent or approval of all the Members unless the Agreement indicates a lesser percentage.

"Entity" means any general partnership, limited partnership, corporation, limited liability company, joint venture, trust, business trust or association.

"Immediate Family" means, with respect to any Person, his or her spouse, descendants, parents, brothers, sisters and the descendants of brothers and sisters.

"Initial Capital Contribution" means, with respect to a Member, the Capital Contributions made by such Member on the date hereof pursuant to Section 2.1 hereof and reflected on Exhibit A hereto.

"LLC" means the limited liability company governed by this Agreement as said limited liability company may from time to time be constituted and amended.

"LLC Interest" means, with respect to each Member, the percentage set forth in Exhibit A hereto, as amended from time to time.

"Member Nonrecourse Deductions" shall have the same meaning as Partner Nonrecourse Deductions set forth in Section 1.704-2(i)(2) of the Regulations.

"Minimum Gain" means the amount of taxable gain (whether taxable as ordinary income or capital gains) which would be recognized by the LLC if the Nonrecourse Debt of the LLC

were foreclosed upon and the LLC's property securing such debt were transferred to the creditor holding such debt obligations in satisfaction thereof.

"Nonrecourse Debt" means debt of the LLC as to which no Member is personally liable, as determined under Section 752 of the Code, as amended.

"Nonrecourse Deductions" shall have the meaning set forth in Section 1.704-2(b)(1) and (c) of the Regulations.

"Out-of-Pocket Expenses" shall mean necessary LLC business expenses which are paid by Members on a non pro rata basis and which were never intended nor agreed to be loans.

"Person" means any individual or Entity, and the heirs, executors, administrators, legal representative, successors and assigns of such Person where the context so admits.

"Priority Distribution" means, with respect to any Member, distributions to such Member made pursuant to Section 7.2(1)(viii) and Section 7.3 with reference to Section 7.2(a)(viii).

"Priority Distribution Base" means, with respect to any Member, an amount equal to (a) the amount of such Member's Capital Contribution less (b) any Priority Distributions made to such Member.

"Rate of Return" means an annual return equal to 2% above the Base Rate.

"Substituted Member" means any Person admitted to the LLC as a Member under the provisions of Section 5.1 and 5.2 hereof.

"Withdrawal" (including the terms "Withdraw", "Withdrawing", or "Withdrawn") means as to the Members, the occurrence of such Member's death, retirement, resignation, expulsion, bankruptcy, dissolution, disability, incapacity, adjudication of insanity or incompetence, or any other voluntary or involuntary withdrawal from the LLC for any reason, provided, however, that a sale of an interest in a Member shall not constitute a Withdrawal. Involuntary Withdrawal shall occur whenever a Member may no longer continue as a Member by law or pursuant to any terms of this Agreement.

ARTICLE XI

Resolution of Disputes

Section 11.1. Arbitration. All claims, disputes and other matters in question arising out of, or relating to, this Agreement or the performance thereof shall be submitted to, and determined by, arbitration if good faith negotiations among the parties do not resolve such claim, dispute or other matter within 60 days. Such arbitration shall proceed in accordance with the Commercial Arbitration Rules of the American Arbitration Association then pertaining (the

"Rule"), insofar as such Rules are not inconsistent with the provisions expressly set forth in this Agreement, unless the parties mutually agree otherwise, and pursuant to the following procedures:

(a) Notice of the demand for arbitration shall be filed in writing with the other party to this Agreement. Each party shall appoint an arbitrator, and those party-appointed arbitrators shall appoint a third neutral arbitrator within 10 days. If the party-appointed arbitrators fail to appoint a third, neutral arbitrator within 10 days, such third, neutral arbitrator shall be appointed by the American Arbitration Association in accordance with the Rules. A determination by a majority of the panel shall be binding.

(b) Reasonable discovery shall be allowed in arbitration.

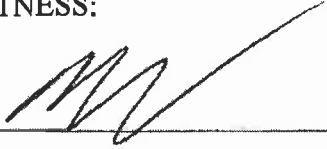
(c) All proceedings before the arbitrators shall be held in Georgetown, Delaware. The governing law shall be as specified in Section 9.6.

(d) The costs and fees of the arbitration, including attorneys' fees, shall be allocated by the arbitrators, except as provided for in Article IX.

(e) The award rendered by the arbitrators shall be final and judgment may be entered in accordance with applicable law and in any court having jurisdiction thereof.

IN WITNESS WHEREOF, by their hands and seals, the Members acknowledge that this Agreement is their act, and further acknowledge under penalty of perjury, to the best of their knowledge, information and belief, that the matters and facts set forth herein are true in all material respects and that they have executed this Agreement this 10th day of August, 2005.

WITNESS:



MEMBER:


RAYMOND BERZINS (SEAL)

EXHIBIT A

Member Name & Address	Capital Contributions	Percentage of Interest
Raymond Berzins P.O. Box 863 Bethany Beach, DE 19930	\$100.00	100%

PETITION FOR INCLUSION

Tidewater (TUI) – Water Petition

1-877-720-9272

www.tuiwater.com

PETITION FOR INCLUSION IN TIDEWATER UTILITIES, INC. WATER SERVICE TERRITORY

In accordance with 26 Delaware Code 203-C., I/we, the undersigned, as the recorded property owners according to current tax records for the following property/properties, request to be included in the water service territory of Tidewater Utilities, Inc. I/We understand that all of the property owners must sign this petition in order for Tidewater Utilities, Inc to apply for a Certificate of Public Convenience and Necessity (CPCN) in order to provide water service to the following property/properties

Tax Parcel Number(s): 134-17.00-30.04

Property Owner(s): Sigurd E. Berzins, Trustee

Mailing Address: PO Box 854 864
Bethany Beach, DE 19930

Property Address: SW Corner Rd 361 & Rd 363

Owner's Signature(s):

X *Sigurd E. Berzins*

Date:

8-2-16

Print Name:

X SIGURD E. BERZINS

Phone #:

302-539-5629

Owner's Signature(s):

X

Date:

Print Name:

X

Phone #:

Email Address:

I UNDERSTAND THAT BY SIGNING THIS PETITION MY PROPERTY MAY HAVE TO REMAIN IN TIDEWATER UTILITIES, INC. SERVICE TERRITORY PERMANENTLY. I ALSO UNDERSTAND THAT IT MAY AFFECT MY ABILITY TO OBTAIN A PERMIT FOR A NEW WELL. IF YOU HAVE ANY QUESTIONS, COMMENTS, OR CONCERNS, PLEASE CONTACT THE PUBLIC SERVICE COMMISSION AT (302) 736-7500 (in Delaware, call 800-282-8574).

Back Creek

Consideration: .00

County	.00
State	.00
Town	.00
Total	.00

Received: Tina T Dec 12, 2008

Tax Map Parcel No.: 1-34 17.00 30.04
 Prepared by and return to:
 George B. Smith, Esquire
 Smith O'Donnell Feinberg & Berl, LLP
 406 South Bedford Street, P.O. Box 588
 Georgetown, Delaware 19947-0588

NO TITLE SEARCH, LIEN SEARCH OR SURVEY REQUESTED OR PERFORMED

THIS DEED, made this 9th day of Dec., in the year of our LORD two thousand eight (2008),

BETWEEN, SIGURD BERZINS, of P.O. Box 1170, Bethany Beach, Delaware 19930, party of the first part,

- AND -

SIGURD E. BERZINS, TRUSTEE OF THE SIGURD E. BERZINS REVOCABLE TRUST DATED NOVEMBER 10, 2008, of P.O. Box 1170, Bethany Beach, Delaware 19930, party of the second part,

WITNESSETH, that the said party of the first part, for and in consideration of the sum of **ONE DOLLAR (\$1.00)** lawful money of the United States of America and other valuable considerations, the receipt whereof is hereby acknowledged, hereby grants and conveys unto the said party of the second part, his successors and assigns,

ALL that certain tract, piece or parcel of land, lying and being situate in Baltimore Hundred, Sussex County, Delaware, being known as **PARCEL "C"** as shown on a survey prepared by Simpler Surveying, dated July 26, 2004, being filed in the Office of the Recorder of Deeds, at Georgetown, Delaware in Plot Book 87, Page 199 and being more particularly described as follows, to-wit:

BEGINNING at a point situate on the Southerly right-of-ay of County Route No. 361, said point being the division line of these lands and Parcel B; thence by and with said Southerly right-of-way of County Route 361, the following two courses and distances, South 44 degrees 43 minutes 15 seconds East 249.22 feet to a point; thence South 21 degrees 05 minutes 23 seconds East 94.58 feet to a point situate on the Westerly right-of-way of County Route 363; thence by and with said Westerly right-of-way of County Route 363, the following three courses and distances, South 11 degrees 03 minutes 19 seconds West, 207.35 feet to a point; thence by and with a curve bearing to the right, said curve having a radius of 563.29 feet, a delta angle of 22 degrees 34 minutes 50 seconds and a length of 222.00 feet to a point; thence South 33 degrees 38 minutes 09 seconds West, 268.82 feet to an iron pipe being a corner of these lands and lands now or formerly of Timothy S. Elder; thence by and with lands now or formerly of Timothy S. Elder, the following three courses and distances, North 56 degrees 25 minutes 85 seconds to a point; thence South 02 degrees 50 minutes 00 seconds West, 323.14 feet to a point; thence South 68 degrees 49 minutes 48 seconds West 78.79 feet to a point being a corner of these lands and lands now or formerly of Timothy S.

Elder and a point on line of Clearwater Development; thence by and with said lands of Clearwater Development, North 33 degrees 05 minutes 48 seconds West 682.00 feet to a field stone being a corner of these lands, Residual lands of Parcel B and lands of Clearwater Development; thence by and with said division line of these lands and residual lands of Parcel B, North 53 degrees 28 minutes 26 seconds West 908.21 feet to the point and place of beginning, containing 12.01 acres of land, more or less. Note: An additional 15 feet of right-of-way of County Route 363 is being dedicated to public use per the aforementioned plot.

SUBJECT to any and all restrictions, reservations, conditions, easements and agreements of record in the Office of the Recorder of Deeds, in and for Sussex County, Delaware.

BEING the same lands and premises granted and conveyed unto Sigurd Berzins, by deed of Raymond Berzins, Sigurd Berzins and Talivaldis Berzins, dated September 10, 2004, of record in the Office of the Recorder of Deeds, Georgetown, Delaware, in Deed Book 3041, Page 193.

IN WITNESS WHEREOF, the said party of the first part has hereunto set his hand and seal the day and year aforesaid.

SIGNED, SEALED, DELIVERED,
and witnessed in the presence of:

and witnessed in the presence of:

John A. Kellie

Sigurd E. Berzins (SEAL)
SIGURD E. BERZINS

Recorder of Deeds
John F. Brady
Dec 12, 2008 10:34A
Sussex County
Doc. Surcharge Paid

STATE OF DELAWARE)
) **SS.**
SUSSEX COUNTY)

BE IT REMEMBERED, that on this 9th day of December, 2008, personally appeared before me, the Subscriber, a Notary Public for the State and County aforesaid, **SIGURD E. BERZINS**, party to this Indenture, known to me personally to be such, and he acknowledged this Indenture to be his act and deed.

GIVEN under my hand and seal of office, the day and year aforesaid.

Susan Z Kleckman
Notary Public

RECEIVED

DEC 12 2008

**ASSESSMENT DIVISION
OF SUSSEX COUNTY**

My Commission Expires 6/1/2011
SUSAN L. KLEKOTKA
NOTARY PUBLIC
STATE OF DELAWARE
 My Commission Expires 6/1/2011

mission Expires
May 16, 2010

EXHIBIT

B

TIDEWATER

UTILITIES, INC.

A Middlesex Water Company Affiliate

August 15, 2016

Certified Mail # 7011 0470 0000 2895 8666

Raze Properties, LLC
38518 Velta Drive
Ocean View, DE 19970

Dear Raze Properties, LLC

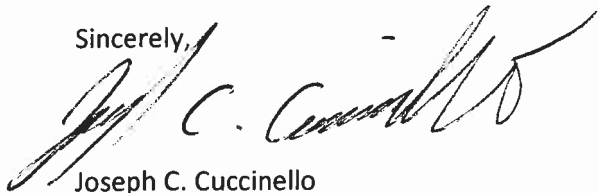
Tidewater Utilities Inc. (Tidewater) would like to thank you for the receipt of your signed petition requesting Tidewater to provide water service to your property, 134-17.00-30.03 located in Sussex County.

Tidewater will be submitting an application for a Certificate of Public Convenience and Necessity (CPCN) with the Public Service Commission (PSC) on or about September 13, 2016. Included with this letter is information that we are required to provide to all landowners within a proposed service territory prior to filing the application for a CPCN.

When the CPCN is granted, Tidewater will have the permission to provide public water service to your parcel. It is important for you, as the landowner, to know that when water service is made available to your parcel you are not obligated to connect to our water system as long as your current water supply is functioning properly. If you agree to have your property be part of this proposed service area, no action on your part is required at this time. If you do not agree to have your property be part of this proposed service area you will need to complete the enclosed opt out/object form and send it back to the address on top of the form.

If you have any questions in regards to this matter please feel free to contact me at 1-800-720-9272 ext. 1014 or 302-747-1308.

Sincerely,



Joseph C. Cuccinello
CPCN Coordinator

"Southern Delaware's Premier Water Company Since 1964"

Tidewater Utilities, Inc. 1100 South Little Creek Road, Dover, DE 19901 www.tuiwater.com
(877) 720-9272 (302) 734-7500 Tel. (302) 734-9297 Fax

PROPERTY OWNER OPT-OUT/OBJECT FORM

Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, Delaware 19904

Dear Delaware Public Service Commission:

I/We are the recorded property owner(s), according to current tax records, for the following property/properties:

Tax Map Parcel Identification Number(s): 134-17.00-30.03

We received a notice from *Tidewater Utilities, Inc.* that it plans to file an application with the Delaware Public Service Commission for a Certificate of Public Convenience and Necessity (Certificate) to provide water service to a proposed service territory described by Tidewater Utilities, Inc. as Back Creek (hereafter, "Proposed Service Territory").

_____ As permitted by applicable law, I hereby opt-out of *Tidewater Utilities, Inc.*'s proposed service territory. I understand that by opting out of the Proposed Service Territory, I may be charged additional fees if I later change my mind and choose to be included in the Proposed Service Territory and receive water service from *Tidewater Utilities, Inc.*

_____ I hereby object to the *Tidewater Utilities, Inc.*'s application for the Certificate of Public Convenience and Necessity. I understand that by objecting to the *Tidewater Utilities, Inc.*'s application I am not merely objecting to being included in the Proposed Service Territory (in which case, I may merely opt out as permitted by electing to opt out above), but rather am objecting to the Commission authorizing the *Tidewater Utilities, Inc.* to provide water service to *any territory* within the Proposed Service Territory, including, but not limited to, my own property. The basis of my objection is as follows:

Property Owner(s): *Property Owner Name* _____

Property Owner Address _____

Owner's Signature: _____ Date: _____

YOU SHOULD READ THIS NOTICE CAREFULLY.

Public records list you as a landowner of the property with the following tax map parcel identification number(s):134-17.00-30.03. Within thirty-five (35) days, Tidewater Utilities, Inc. (TUI) plans to file an application with the Delaware Public Service Commission requesting a Certificate of Public Convenience and Necessity (Certificate) to provide water service to a new territory described as Back Creek.

TUI HAS INCLUDED YOUR PROPERTY IN THE TERRITORY IT INTENDS TO SERVE. TUI IS UNABLE TO ESTIMATE WHEN IT WILL PROVIDE WATER SERVICE TO YOUR PROPERTY OR BACK CREEK.

IF YOU DO NOT TAKE ANY ACTION NOW, YOU MAY LOSE YOUR CHOICE OF WHO CAN PROVIDE WATER SERVICE TO YOUR PROPERTY AND WHETHER YOU CAN OBTAIN A WELL PERMIT.

- 1) You may choose to be included in the utility's proposed service territory. If you signed a petition for water service asking to be included in the utility's proposed service territory, [or, if you did not sign a petition for water service but want to be included, you do not have to take any action.
- 2) You have the right to "opt-out" of the utility's proposed service territory. If you "opt-out", your property will not be included in the utility's service territory. You can do this even though others in Back Creek might desire water service from the utility. You should understand that being included in a utility's service territory does not mean that public water service will be immediately available to your property or that, when available; you will be required to hook-up to the public water system. However, if your property is included in the utility's water service territory, and later the water from the well providing your drinking water cannot be used, the Department of Natural Resources and Environmental Control might deny you a permit for a new well if public water is available to your property. On the other hand, if you elect to "opt-out" of the utility's service territory, but later change your mind and decide to connect to the utility's public water system, you could be charged additional fees.
- 3) You may object to the Public Service Commission granting a Certificate for Back Creek. For example, you may object that the water utility does not have the legal right to serve the territory. You should review the law about what a utility must provide in order to obtain a Certificate (contact the Public Service Commission to obtain a copy of the law). If you file such an objection, you will need to tell the Public Service Commission why the utility should not receive the Certificate. Please note that an objection will not remove your property from a proposed service territory. To remove your property from the service territory, you must request to "opt-out."

Attached to this letter is a form which allows you (and other owners of the property) to exercise your options. You have seventy-five (75) days from your receipt of this notice to file your objection with the Commission. Although you may exercise your right to "opt-out" of the utility's service territory at any time before the Certificate is granted, if you choose to opt-out, it is requested that you complete the form and return it to the Public Service Commission at the address listed below within seventy-five (75) days from the date you receive this notice:

Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, Delaware 19904

If you want to “opt-out” or object, you must send the completed form to the Public Service Commission, even if you already informed the utility of your intent to “opt-out” or object.

If you have any questions, comments or concerns, please contact the Public Service Commission at (302) 736-7500 (in Delaware, call 800-282-8574).

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature X <u>R. B. [Signature]</u> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: <u>Raze Properties, LLC</u> <u>38518 Velta Drive</u> <u>Ocean View, DE</u> <u>19970</u>		B. Received by (Printed Name) <u>R. B. [Signature]</u> C. Date of Delivery <u>8/17/16</u> D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:	
2. Article Number (Transfer from service label) <u>7011 0470 0000 2895 8666</u>		3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

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Postage	\$ <u>4.65</u>
Certified Fee	<u>3.30</u>
Return Receipt Fee (Endorsement Required)	<u>2.70</u>
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ <u>6.405</u>

Sent To Raze Properties, LLC
Street, Apt. No., or PO Box No. 38518 Velta Drive
City, State, ZIP+4 Ocean View DE 19970

PS Form 3800, August 2006 See Reverse for Instructions



A Middlesex Water Company Affiliate

August 15, 2016

Certified Mail # 7011 0470 0000 2895 8673

Sigurd E. Berzins, Trustee

PO Box 864

Bethany Beach, DE 19930

Dear Sigurd E. Berzins, Trustee

Tidewater Utilities Inc. (Tidewater) would like to thank you for the receipt of your signed petition requesting Tidewater to provide water service to your property, 134-17.00-30.04 located in Sussex County.

Tidewater will be submitting an application for a Certificate of Public Convenience and Necessity (CPCN) with the Public Service Commission (PSC) on or about September 13, 2016. Included with this letter is information that we are required to provide to all landowners within a proposed service territory prior to filing the application for a CPCN.

When the CPCN is granted, Tidewater will have the permission to provide public water service to your parcel. It is important for you, as the landowner, to know that when water service is made available to your parcel you are not obligated to connect to our water system as long as your current water supply is functioning properly. If you agree to have your property be part of this proposed service area, no action on your part is required at this time. If you do not agree to have your property be part of this proposed service area you will need to complete the enclosed opt out/object form and send it back to the address on top of the form.

If you have any questions in regards to this matter please feel free to contact me at 1-800-720-9272 ext. 1014 or 302-747-1308.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe C. Cuccinello", is written over a horizontal line.

Joseph C. Cuccinello
CPCN Coordinator

"Southern Delaware's Premier Water Company Since 1964"

Tidewater Utilities, Inc. 1100 South Little Creek Road, Dover, DE 19901 www.tuiwater.com
(877) 720-9272 (302) 734-7500 Tel. (302) 734-9297 Fax

PROPERTY OWNER OPT-OUT/OBJECT FORM

Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, Delaware 19904

Dear Delaware Public Service Commission:

I/We are the recorded property owner(s), according to current tax records, for the following property/properties:

Tax Map Parcel Identification Number(s): 134-17.00-30.04

We received a notice from *Tidewater Utilities, Inc.* that it plans to file an application with the Delaware Public Service Commission for a Certificate of Public Convenience and Necessity (Certificate) to provide water service to a proposed service territory described by Tidewater Utilities, Inc. as Back Creek (hereafter, "Proposed Service Territory").

_____ As permitted by applicable law, I hereby opt-out of *Tidewater Utilities, Inc.*'s proposed service territory. I understand that by opting out of the Proposed Service Territory, I may be charged additional fees if I later change my mind and choose to be included in the Proposed Service Territory and receive water service from *Tidewater Utilities, Inc.*

_____ I hereby object to the *Tidewater Utilities, Inc.*'s application for the Certificate of Public Convenience and Necessity. I understand that by objecting to the *Tidewater Utilities, Inc.*'s application I am not merely objecting to being included in the Proposed Service Territory (in which case, I may merely opt out as permitted by electing to opt out above), but rather am objecting to the Commission authorizing the *Tidewater Utilities, Inc.* to provide water service to *any territory* within the Proposed Service Territory, including, but not limited to, my own property. The basis of my objection is as follows:

Property Owner(s): *Property Owner Name* _____

Property Owner Address _____

Owner's Signature: _____ Date: _____

YOU SHOULD READ THIS NOTICE CAREFULLY.

Public records list you as a landowner of the property with the following tax map parcel identification number(s):134-17.00-30.04. Within thirty-five (35) days, Tidewater Utilities, Inc. (TUI) plans to file an application with the Delaware Public Service Commission requesting a Certificate of Public Convenience and Necessity (Certificate) to provide water service to a new territory described as Back Creek.

TUI HAS INCLUDED YOUR PROPERTY IN THE TERRITORY IT INTENDS TO SERVE. TUI IS UNABLE TO ESTIMATE WHEN IT WILL PROVIDE WATER SERVICE TO YOUR PROPERTY OR BACK CREEK.

IF YOU DO NOT TAKE ANY ACTION NOW, YOU MAY LOSE YOUR CHOICE OF WHO CAN PROVIDE WATER SERVICE TO YOUR PROPERTY AND WHETHER YOU CAN OBTAIN A WELL PERMIT.

- 1) You may choose to be included in the utility's proposed service territory. If you signed a petition for water service asking to be included in the utility's proposed service territory, [or, if you did not sign a petition for water service but want to be included, you do not have to take any action.
- 2) You have the right to "opt-out" of the utility's proposed service territory. If you "opt-out", your property will not be included in the utility's service territory. You can do this even though others in Back Creek might desire water service from the utility. You should understand that being included in a utility's service territory does not mean that public water service will be immediately available to your property or that, when available; you will be required to hook-up to the public water system. However, if your property is included in the utility's water service territory, and later the water from the well providing your drinking water cannot be used, the Department of Natural Resources and Environmental Control might deny you a permit for a new well if public water is available to your property. On the other hand, if you elect to "opt-out" of the utility's service territory, but later change your mind and decide to connect to the utility's public water system, you could be charged additional fees.
- 3) You may object to the Public Service Commission granting a Certificate for Back Creek. For example, you may object that the water utility does not have the legal right to serve the territory. You should review the law about what a utility must provide in order to obtain a Certificate (contact the Public Service Commission to obtain a copy of the law). If you file such an objection, you will need to tell the Public Service Commission why the utility should not receive the Certificate. Please note that an objection will not remove your property from a proposed service territory. To remove your property from the service territory, you must request to "opt-out."

Attached to this letter is a form which allows you (and other owners of the property) to exercise your options. You have seventy-five (75) days from your receipt of this notice to file your objection with the Commission. Although you may exercise your right to "opt-out" of the utility's service territory at any time before the Certificate is granted, if you choose to opt-out, it is requested that you complete the form and return it to the Public Service Commission at the address listed below within seventy-five (75) days from the date you receive this notice:

Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, Delaware 19904

If you want to “opt-out” or object, you must send the completed form to the Public Service Commission, even if you already informed the utility of your intent to “opt-out” or object.

If you have any questions, comments or concerns, please contact the Public Service Commission at (302) 736-7500 (in Delaware, call 800-282-8574).

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 		<p>A. Signature X <i>Sigurd E. Bergins</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p>	
<p>1. Article Addressed to:</p> <p><i>Sigurd E Bergins</i> <i>Trustee</i> <i>PO Box 864</i> <i>Bethany Beach, DE</i> <i>19930</i></p>		<p>B. Received by (Printed Name) <i>SIGURD E. BERGINS</i></p> <p>C. Date of Delivery <i>08/11</i></p>	
<p>2. Article Number- (Transfer from service label)</p> <p><i>7011 0470 0000 2895 8673</i></p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p>	
		<p>3. Service Type</p> <p><input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
		<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

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Postage	\$ <i>0.465</i>
Certified Fee	<i>3.30</i>
Return Receipt Fee (Endorsement Required)	<i>2.76</i>
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ <i>6.465</i>

Sent To *Sigurd E. Bergins Trustee*
Street, Apt. No., or PO Box No. *PO Box 864*
City, State, ZIP+4 *Bethany Beach, DE 19930*

PS Form 3800, August 2006 See Reverse for Instructions

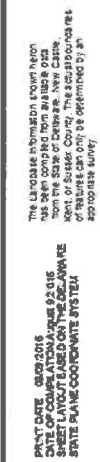
EXHIBIT

C

Exhibit C

<u>Proposed Service Area</u>	<u>Tax Map Parcel Numbers</u>	<u>Acres</u>	<u>Owners</u>
Service Area 1	134-17.00-30.03	16.11	Raza Properties, Inc. 38518 Velta Drive Ocean View, DE 19970
	134-17.00-30.04	12.16	Siguard E. Berzins, Trustee

- Parcels 134-17.00-30.03 and 134-17.00-30.04 are individual parcels located on the south side of Muddy Neck Road, approximately 676' from the intersection of Muddy Neck Road and Double Bridges Road.



A Middlesex Water Company Affiliate

A-16-007
1 inch = 400 feet
Map 1



BuBo